Targeted Public Distribution System (TPDS) under implementation since June 1997 is focused on below poverty line families and is operated under joint responsibility of the Government of India and State Governments & UT Administrations. Responsibility for identification of eligible BPL families as per the estimates released by the Planning Commission and issuance of ration cards to them rests with the State Governments and UT Administrations.

To enable State Governments and UT Administrations to issue ration cards to genuine households, PDS (Control) Order, 2001 has been issued under Section 3 of Essential Commodities Act, 1955. Provisions under this Order mandate State Governments and UT Administrations to issue ration cards to eligible applicants and to weed out ineligible and bogus ration cards as well as bogus units in ration cards.

Central Pool stocks of foodgrains meant for TPDS are stored in godowns of Food Corporation of India (FCI), Central Warehousing Corporation (CWC) and State agencies by adopting scientific storage practices. As per allocations to States and UTs, these agencies provide foodgrains to fair price shops for their timely and regular distribution to ration card holders.

**Price of food items**

†*268. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that a growth rate of 9.3 per cent was registered in the prices of food items in the week ending November 8, 2008, while the Common Wholesale Price Index rate was estimated to be less than the above rate;

(b) if so, the details thereof;

(c) whether it is also a fact that the increase in prices of food items in the country creates formidable financial crisis for the common man of the country; and

(d) if so, the reaction of Government thereto?

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR): (a) Yes, Sir. The WPI-based inflation rate as on 8.11.2008 was 8.90% (provisional). The inflation rate of Food Articles was 9.31%.

(b) Commodity wise table giving data of annual inflation as on 08.11.2008 is given in the enclosed Statement-I (*See* below).

(c) and (d) Government is aware of increase in prices of food items and has taken a number of steps to control the price rise and to soften the impact of price rise on consumers. The important steps taken are given in the enclosed Statement-II (*See* below). Apart from these general steps, government has taken the following specific measures to protect the vulnerable sections of society.

(i) Government has protected poor sections of society through Targeted Public Distribution System (TPDS) and Antodaya Anna Yojna (AAY). Under the TPDS, wheat, rice, sugar and kerosene

† Original notice of the question was received in Hindi.

oils are allocated to State Governments for distribution through the Fair Price Shops. The off take of wheat and rice under Targeted Public Distribution System (TPDS) and Other Welfare Schemes (OWS) has, however, been going up. For TPDS, wheat and rice offtake have gone up from 242 lakh tonnes in 2003-04 to 316 lakh tonnes in 2006-07 and 335.27 lakh tonnes in 2007-08. During the period April-September 2008, 167.38 lakh tonnes wheat and rice has been allocated under TPDS. The Central Issue Price for rice and wheat has not been revised since 1.7.2002. For wheat it remains at Rs. 4.15 per kg for BPL and Rs 2 per kg for AAY. For rice, it is Rs 5.65 per kg for BPL and Rs 3 per kg for AAY.

(ii) Government launched a scheme on 28.07.2008 to distribute one million tons of edible oils to States/UTs at a subsidy @ Rs.15/kg. Orders were placed for import of 3.60 lakh tons of edible oils. Of this, about 3.34 lakh tons of edible oil has landed; and about 1.82 lakh tons have so far been distributed to various States/UTs by Central PSUs for distribution to ration card holders @ 1 kg per ration card per month.

(iii) Government has recently introduced a scheme under which the Public Sector Agencies like National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED), MMTC, PEC Ltd. and State Trading Corporation (STC) can import pulses and sell the same at a subsidy of Rs.10/- per kg to the State Governments for distribution of pulses through Public Distribution System (PDS). It will be the responsibility of the State Government to ensure that pulses imported under the scheme are lifted and the targeted consumers get it. The scheme, therefore, aims at augmenting availability of pulses within the country through imports specifically for supplying to the poorer sections through PDS at a subsidized price.

***Statement-I***

*Percentage variations in the Wholesale Price Indices (WPI) of major items are as follows:-*

| Period/Commodities | Weight | Point to Point annual Inflation (Week ended 8.11.2008) |
|---|---|---|
| 1 | 2 | 3 |
| All Commodities | 100.00 | 8.90 |
| Food Articles | 15.4 | 9.31 |
| Food Grains | 5.01 | 7.57 |
| Cereals | 4.41 | 6.83 |
| Rice | 2.45 | 8.55 |
| Wheat | 1.38 | 3.26 |
| Jowar | 0.22 | 4.5 |

| 1 | 2 | 3 |
|---|---|---|
| Bajra | 0.11 | 11.87 |
| Maize | 0.19 | 13.98 |
| Barley | 0.03 | 9.36 |
| Ragi | 0.03 | 10.62 |
| Pulses | 0.60 | 12.13 |
| Gram | 0.22 | 7.86 |
| Arhar | 0.13 | 8.66 |
| Moong | 0.11 | 19.65 |
| Masoor | 0.04 | 23.61 |
| Urad | 0.10 | 10.4 |
| Vegetables | 1.46 | 14.41 |
| Potatoes | 0.26 | -19.37 |
| Onions | 0.09 | -27.04 |
| Cabbage | 0.06 | 121.3 |
| Fruits | 1.46 | 17.24 |
| Eggs, Meat & Fish | 2.21 | 6.47 |
| Tea | 0.16 | 59.39 |
| Manufactured Food Products | 11.54 | 5.98 |
| Sugar, Khandsari & Gur | 3.93 | 11.28 |
| Sugar | 3.62 | 13.77 |
| Edible Oils | 2.76 | 5.8 |
| Imported edible oil | 0.05 | -34.96 |

***Statement-II***

*Steps taken by Government*

1. **Fiscal Measures**

   (i) Reducing import duties to zero - for rice, wheat, pulses, edible oils (crude) and maize and butter and ghee;

   (ii) Reducing import duties on refined hydrogenated oils and vegetable oils to 7.5%;

2. **Administrative Measures**

   (i) Banning export of non-basmati rice, wheat, edible oils (except castor oil, coconut oil, oils produced from minor forest produce, except sesame oil and edible oils up to five kg branded pack ) and pulses (except kabuli chana);

   (ii) No changes in Tariff Rate Values of edible oils;

(iii) Imposition of stock limit orders in the case of paddy, rice, wheat, edible oils and oilseeds;

(iv) Reducing import duty on Skimmed Milk Powder (SMP) from 15% to 5%.

(v) Using Minimum Export Price (MEP) to regulate exports of onion (averaging at $280 per ton for November 2008) and basmati rice ($1200 PMT);

(vi) Maintaining the Central Issue Price (CIP) for rice (at Rs 5.65 per kg for BPL and Rs 3 per kg for AAY) and wheat (at Rs 4.15 per kg for BPL and Rs 2 per kg for AAY);

(vii) As a measure of abundant precaution, Forward Markets Commission (FMC) has on 23.01.07, directed the three National Exchanges, namely (a) Multi Commodity Exchange of India Ltd., (b) National Commodity & Derivatives Exchange Ltd., (c) National Multi Commodity Exchange of India Ltd., to delist all contracts of tur and urad and to close out all outstanding positions in all Tur and Urad contracts at the closing price on 23.01.07. FMC has also stated that no further contract shall be launched without its prior approval and permission already granted to launch contracts in Urad and Tur stands withdrawn.

(viii) Similarly, FMC has on, 27.2.2007, directed all the three National Exchanges that no new futures contracts in wheat and rice shall be launched.

(ix) Reducing petrol and diesel prices by Rs 5 and Rs 2 a litre respectively, effective midnight of 5.12.08.

**Implementation of national policy for farmers**

*269.PROF. M.S. SWAMINATHAN: Will the Minister of AGRICULTURE be pleased to state:

(a) whether he placed a National Policy for Farmers on the Table of the House in November, 2007;

(b) if so, the action taken so far to implement this policy; and

(c) what steps have been taken to attract and retain youth in farming being one of the objectives of the Policy?

THE MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR): (a) Yes, Sir.

(b) The National Policy for Farmers, 2007 and the Plan of Action prepared by the Ministry of Agriculture for operationalisation of the Policy have been circulated to Central Ministries and Departments and all the State/Union Territory Governments for taking necessary follow-up action. Many of the provisions contained in the National Policy for Farmers, 2007 are being implemented through a number of on-going schemes and programmes and other initiatives launched by the Government. In pursuance of the decisions of the National Development Council, the Government of India has launched two new Schemes *i.e.*, Rashtriya Krishi Vikas Yojana with the objective to increase growth rate of agriculture and allied sectors and to incentives the States to increase public investment in agriculture and allied sectors and National Food Security Mission (NFSM) to improve productivity and production of food grains.